

# HOUSE BILL No. 1539

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-20-3.1; IC 6-1.1-20-10.

**Synopsis:** Petition and remonstrance procedures. Increases the percentage of property owners required to be on a petition to initiate a petition and remonstrance process. Removes certain limitations on a political subdivision's ability to promote a position on a petition or remonstrance.

**Effective:** July 1, 2005.

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**Micon, Klinker**

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January 18, 2005, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

## HOUSE BILL No. 1539

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 6-1.1-20-3.1 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.1. A political  
3 subdivision may not impose property taxes to pay debt service or lease  
4 rentals without completing the following procedures:

5 (1) The proper officers of a political subdivision shall:

6 (A) publish notice in accordance with IC 5-3-1; and

7 (B) send notice by first class mail to any organization that  
8 delivers to the officers, before January 1 of that year, an annual  
9 written request for such notices;

10 of any meeting to consider adoption of a resolution or an  
11 ordinance making a preliminary determination to issue bonds or  
12 enter into a lease and shall conduct a public hearing on a  
13 preliminary determination before adoption of the resolution or  
14 ordinance.

15 (2) When the proper officers of a political subdivision make a  
16 preliminary determination to issue bonds or enter into a lease, the  
17 officers shall give notice of the preliminary determination by:



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- 1 (A) publication in accordance with IC 5-3-1; and  
 2 (B) first class mail to the organizations described in  
 3 subdivision (1)(B).  
 4 (3) A notice under subdivision (2) of the preliminary  
 5 determination of the political subdivision to issue bonds or enter  
 6 into a lease must include the following information:  
 7 (A) The maximum term of the bonds or lease.  
 8 (B) The maximum principal amount of the bonds or the  
 9 maximum lease rental for the lease.  
 10 (C) The estimated interest rates that will be paid and the total  
 11 interest costs associated with the bonds or lease.  
 12 (D) The purpose of the bonds or lease.  
 13 (E) A statement that any owners of real property within the  
 14 political subdivision who want to initiate a petition and  
 15 remonstrance process against the proposed debt service or  
 16 lease payments must file a petition that complies with  
 17 subdivisions (4) and (5) not later than thirty (30) days after  
 18 publication in accordance with IC 5-3-1.  
 19 (F) With respect to bonds issued or a lease entered into to  
 20 open:  
 21 (i) a new school facility; or  
 22 (ii) an existing facility that has not been used for at least  
 23 three (3) years and that is being reopened to provide  
 24 additional classroom space;  
 25 the estimated costs the school corporation expects to incur  
 26 annually to operate the facility.  
 27 (G) A statement of whether the school corporation expects to  
 28 appeal as described in IC 6-1.1-19-4.4(a)(4) for an increased  
 29 adjusted base levy to pay the estimated costs described in  
 30 clause (F).  
 31 (4) After notice is given, a petition requesting the application of  
 32 a petition and remonstrance process may be filed by ~~the lesser of:~~  
 33 ~~(A) one hundred (100) owners of real property within the~~  
 34 ~~political subdivision; or~~  
 35 ~~(B) five ten percent (5%) (10%)~~ of the owners of real property  
 36 within the political subdivision.  
 37 (5) The state board of accounts shall design and, upon request by  
 38 the county auditor, deliver to the county auditor or the county  
 39 auditor's designated printer the petition forms to be used solely in  
 40 the petition process described in this section. The county auditor  
 41 shall issue to an owner or owners of real property within the  
 42 political subdivision the number of petition forms requested by

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the owner or owners. Each form must be accompanied by instructions detailing the requirements that:

- (A) the carrier and signers must be owners of real property;
- (B) the carrier must be a signatory on at least one (1) petition;
- (C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and
- (D) govern the closing date for the petition period.

Persons requesting forms may not be required to identify themselves and may be allowed to pick up additional copies to distribute to other property owners.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county auditor under subdivision (7).

(7) Each petition must be filed with the county auditor not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county auditor must file a certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within fifteen (15) business days of the filing of the petition requesting a petition and remonstrance process. The certificate must state the number of petitioners that are owners of real property within the political subdivision.

If a sufficient petition requesting a petition and remonstrance process is not filed by owners of real property as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

SECTION 2. IC 6-1.1-20-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. ~~(a)~~ If a petition and remonstrance process is commenced under section 3.2 of this chapter, during the sixty (60) day period commencing with the notice under section 3.2(1) of this chapter, the political subdivision seeking to issue bonds or enter into a lease for the proposed controlled project may not promote a position on the petition or remonstrance by doing any of the

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following:

~~(1) Allowing facilities or equipment, including mail and messaging systems, owned by the political subdivision to be used for public relations purposes to promote a position on the petition or remonstrance, unless equal access to the facilities or equipment is given to persons with a position opposite to that of the political subdivision.~~

~~(2) (1) Making an expenditure of money from a fund controlled by the political subdivision to promote a position on the petition or remonstrance (except as necessary to explain the project to the public) or to pay for the gathering of signatures on a petition or remonstrance. This subdivision does not prohibit a political subdivision from making an expenditure of money to an attorney, an architect, a construction manager, or a financial adviser for professional services provided with respect to a controlled project.~~

~~(3) Using an employee to promote a position on the petition or remonstrance during the employee's normal working hours or paid overtime.~~

~~(4) (2) In the case of a school corporation, promoting a position on a petition or remonstrance by:~~

~~(A) using students to transport written materials to their residences; or~~

~~(B) including a statement within another communication sent to the students' residences.~~

However, this section does not prohibit an employee of the political subdivision from carrying out duties with respect to a petition or remonstrance that are part of the normal and regular conduct of the employee's office or agency.

~~(b) A person may not solicit or collect signatures for a petition or remonstrance on property owned or controlled by the political subdivision.~~

**SECTION 3. [EFFECTIVE JULY 1, 2005] IC 6-1.1-20-3.1 and IC 6-1.1-20-10, both as amended by this act, apply to a political subdivision's preliminary determination to issue bonds or enter a lease rental occurring after June 30, 2005.**

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